

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor
Matthew J. Frank, Secretary
Scott Humrickhouse, Regional Director

West Central Region Headquarters
1300 W. Clairmont Avenue
PO Box 4001
Eau Claire, Wisconsin 54702-4001
Telephone 715-839-3700
FAX 715-839-6076
TTY Access via relay - 711

June 7, 2010

Mr. LeRoy Wilder, Jr.
Xcel Energy
P.O. Box 8
Eau Claire, WI 54702-0008

SUBJECT: Former Eau Claire Gas Light Company Manufactured Gas Plant (MGP)
Site in the City of Eau Claire's Owen Park

Dear Mr. Wilder:

The Wisconsin Department of Natural Resources ("the Department") has become aware of the above referenced former MGP facility located at the above referenced location. Due to the history of coal tar and purifier box contamination at similar MGP sites that operated at the turn of the 19th century and early 20th century, the Department believes that soil and groundwater contamination likely exists at this site. Visual evidence exists that suggests that a ledge of solidified coal tar is still present at the site extending out into the Chippewa River. This ledge of coal tar is mainly visible during periods of low flow on the river.

The Department is currently investigating whether you and/or any past owners or occupants of the site may potentially be responsible for causing the historic release of coal tars or purifier box wastes to the environment at the site. Based on my review of the 1897 Sanborn map for the City of Eau Claire (Sheet 51) the former MGP was located between the Chippewa River and 1st Ave., and between the unopened sections of Hudson St. and Broadway St. The former MGP was listed as doing business under the name of the "Eau Claire Gas Light Company", which was the same name as the subsequent larger MGP facility which replaced the Owen Park MGP, and which Xcel Energy remediated, at the confluence of the Eau Claire and the Chippewa Rivers. The Sanborn map indicates the former MGP facility was comprised of one building measuring approximately 160' long by 60' wide, one 32,000 cubic foot gas holder measuring approximately 60' in diameter and one relief holder measuring approximately 20' in diameter. The building housed a coke shed, a scrubber room, the relief holder, the retort ovens and generator, a meter room, a purifying room and a lime storage room. A recent site inspection revealed that the circular footprint of the former gas holder is still visible at ground surface between the public children's playground and the band pavilion.

Based on the documentation summarized above, the Department requests that you complete a Phase I and II Environmental Site Assessment (ESA) to evaluate recognized environmental conditions (RECs) and determine whether a release of coal tars and purifier box wastes may have occurred as a result of normal MGP operations at this site. Please provide any additional documentation that you may already have as to the actual operations of the former MGP facility at the site.

dnr.wi.gov
wisconsin.gov

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LJW

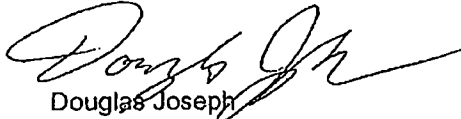


EXHIBIT 1

Within thirty (30) days of your receipt of this notice, please provide me with a letter containing the information requested above as well as a proposed schedule for completing the requested Phase I and II ESAs. This information is requested by the Department under the authority of s. 292.11(7)(a) and s. 292.11(8), Wis. Stats.

I appreciate your concern and cooperation in this matter. Should you have any questions about this letter please feel free to contact me at (715) 839-1602.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Joseph", written over the printed name.

Douglas Joseph
Hydrogeologist
Bureau for Remediation & Redevelopment

Attach: Copy of 1897 City of Eau Claire Sanborn Map – Sheet 51 (Upper left ¼ portion)

c: William Evans – WCR Remediation and Redevelopment Program Supervisor
Colleen Schian, City of Eau Claire Risk Manager
Phil Fieber, City of Eau Claire Parks and Recreation Department Director

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
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February 10, 2011

LeRoy Wilder
Xcel Energy
PO Box 8
Eau Claire, WI 54702-0008

Subject: Reported Contamination at Owen Park MGP Site
Intersection of 1st Ave & Hudson St, Eau Claire, WI
WDNR BRTS Activity # 02-18-556733

Dear Mr. Wilder:

On February 9, 2011, Cedar Corporation, on behalf of Xcel Energy, notified the Wisconsin Department of Natural Resources ("WDNR") that polynuclear aromatic hydrocarbons (PAHs), petroleum volatile organic compounds (PVOs), lead, arsenic and cyanide contamination has been detected at the property site described above.

Based on the information that has been submitted to the WDNR regarding this site, the Department believes you are responsible for investigating and restoring the environment at the above described site under Section 292.11, Wisconsin Statutes, known as the hazardous substances spills law.

This letter describes the legal responsibilities of a person who is responsible under section 292.11, explains what you need to do to investigate and clean up the contamination, and provides you with information about cleanups, environmental consultants, possible financial assistance, and working cooperatively with the WDNR and Department of Commerce (Commerce).

Legal Responsibilities:

Your legal responsibilities are defined both in statute and in administrative codes. The hazardous substances spill law, Section 292.11 (3) Wisconsin Statutes, states:

- **RESPONSIBILITY.** A person who possesses or controls a hazardous substance which is discharged or who causes the discharge of a hazardous substance shall take the actions necessary to restore the environment to the extent practicable and minimize the harmful effects from the discharge to the air, lands, or waters of the state.

Wisconsin Administrative Code chapters NR 700 through NR 749 establish requirements for emergency and interim actions, public information, site investigations, design and operation of remedial action systems, and case closure. Wisconsin Administrative Code chapter NR 140 establishes groundwater standards for contaminants that reach groundwater.

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Steps to Take:

To ensure that your cleanup complies with Wisconsin's laws and administrative codes, you should hire a professional environmental consultant who understands what needs to be done. These are the first steps to take:

1. Within the next **30 days**, by March 9, 2011, you should submit written verification (such as a letter from the consultant) that you have hired an environmental consultant. If you do not take action within this time frame, the WDNR may initiate enforcement action against you.
2. Within the next **60 days**, by April 9, 2011, your consultant should submit a work plan and schedule for the investigation. The consultant must comply with the requirements in the NR 700 Wis. Adm. Code rule series and should adhere to current WDNR technical guidance documents.

In addition, within 30 days of completion of the site investigation, your consultant should submit a site investigation report to the department.

Sites where discharges to the environment have been reported are entered into the Bureau for Remediation and Redevelopment Tracking System ("BRRTS"), a version of which appears on the WDNR's internet site. You may view the information related to your site at any time (<http://botw.dnr.state.wi.us/botw/Welcome.do>) and use the feedback system to alert us to any errors in the data. Search for the name; Owen Park MGP Site or by BRRTS #02-18-556733.

If you want a formal written response from the department on a specific submittal, please be aware that a review fee is required in accordance with ch. NR 749, Wis. Adm. Code. If a fee is not submitted with your reports, you should proceed under the advice of your consultant to complete the site investigation and cleanup to maintain your compliance with the spills law and chapters NR 700 through NR 749. **Do not delay the investigation of your site by waiting for an agency response.** We have provided detailed technical guidance to environmental consultants. Your consultant is expected to know our technical procedures and administrative rules and should be able to answer your questions on meeting cleanup requirements.

All correspondence regarding this site should be sent to:

Doug Joseph
Remediation and Redevelopment Program
Wisconsin Department of Natural Resources
PO Box 4001
Eau Claire, WI 54702-4001
Doug.Joseph@Wisconsin.gov
Phone 715-839-1602

Unless otherwise requested, please send only one copy of plans and reports. In addition to the paper copy, an electronic copy may also be submitted. To speed processing, correspondence should reference the **BRRTS #02-18-556733**.

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February 10, 2011

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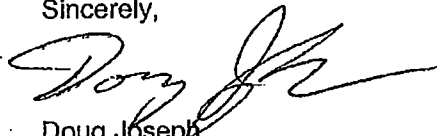
Additional Information for Site Owners :

We encourage you to visit our website at <http://dnr.wi.gov/org/aw/rr>, where you can find information on selecting a consultant, financial assistance and understanding the cleanup process. You will also find information there about liability clarification letters, post-cleanup liability and more.

If you have questions, call me at 715-839-1602 for more information or visit the RR web site at the address above.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Joseph", written over a horizontal line.

Doug Joseph
Hydrogeologist
Remediation & Redevelopment Program

C: Mitch Evenson, Cedar Corp, 604 Wilson Ave, Menomonie, WI 54751